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Attorneys for Matthew Pliskin, as Trustee, and  
The Trust Board

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
(SAN FERNANDO VALLEY DIVISION)**

In re:  
ICPW Liquidation Corporation, a California  
corporation,<sup>1</sup>  
Debtor and Debtor in Possession.

In re:  
ICPW Liquidation Corporation, a Nevada  
corporation,<sup>2</sup>  
Debtor and Debtor in Possession.

Affects:

- ☒ Both Debtors  
☐ ICPW Liquidation Corporation, a California  
corporation  
☐ ICPW Liquidation Corporation, a Nevada  
corporation

Lead Case No.: 1:17-bk-12408-MB  
Jointly administered with:  
1:17-bk-12409-MB Chapter 11 Cases

**POST-CONFIRMATION STATUS  
REPORT**

HEARING:

DATE: August 17, 2020  
TIME: 1:30 p.m.  
PLACE: Courtroom "303"  
21041 Burbank Boulevard  
Woodland Hills, California 91367

**TO THE HONORABLE MARTIN R. BARASH, UNITED STATES BANKRUPTCY  
JUDGE:**

<sup>1</sup> Formerly known as Ironclad Performance Wear Corporation, a California corporation.

<sup>2</sup> Formerly known as Ironclad Performance Wear Corporation, a Nevada corporation.

Matthew Pliskin, the trustee (the “Trustee”), under the trust (the “Trust”) created pursuant to the *Debtors and Official Committee of Equity Security Holders Joint Plan of Liquidation Dated February 9, 2018* (the “Plan”) [Docket No. 438], and that certain trust agreement dated as of February 28, 2018 (the “Trust Agreement”), entered into by and among the Trustee, ICPW Liquidation Corporation, a California corporation, formerly known as Ironclad Performance Wear Corporation, a California corporation, and ICPW Liquidation Corporation, a Nevada corporation (“ICPW Nevada”), formerly known as Ironclad Performance Wear Corporation, a Nevada corporation, hereby respectfully submits this Post-Confirmation Status Report, pursuant to Rule 3020-1(b) of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Central District of California.

The Plan is a liquidating plan confirmed by entry of an order by this Court on February 13, 2018 (the “Confirmation Order”). [Docket No. 442].

**Listing of Claims & Interests and Payments Under the Plan**

Class	Creditor(s)	Claim	Plan Payment to Date
Class 1	General Unsecured Claims	\$354,727.26	See Below
Class 2	Class of Shareholders	See Below	See Below
Class 3	Secured Claims	Disputed	Reserve
Class 4	Priority Unsecured Claims	Disputed	Reserve

**Class 1**

Class 1 consists of general unsecured claims. As indicated in the Plan, prior to the Plan, all non-disputed general unsecured claims were paid by the Debtors with post-petition interest in accordance with prior orders of the Court and the *Order Granting Debtors’ Motion For Authority To Pay Undisputed Pre-Petition Claims Of Solvent Estate And Establishing Protocol*. [Docket No. 345].

On May 29, 2018, the Trustee filed the *Notice of Objection and Objection to Claims in Accordance with Debtors and Official Committee of Equity Security Holders Joint Plan of Liquidation Dated February 9, 2018* (the “Objection”). [Docket No. 582]. The Objection provides that (i) the Trustee disputes the validity and amount of the seven claims listed therein (the “Claimants”) and the enforceability of the claims (the “Claims”) against the estates, (ii) the Trustee anticipates that any litigation against the Claimants will be commenced in another forum,

1 and (iii) requests disallowance of the Claims after an order is obtained in a different forum. The  
2 Trustee filed the Objection in accordance with the Plan and to provide the Claimants with notice  
3 that the Trustee disputed the Claims and, thus, no distribution has been made on the Claims.

4 **Class 2**

5 Class 2 consists of the Beneficial Interest Holders (as defined below), who were the equity  
6 holders of ICPW Nevada as of the Record Date (*i.e.*, February 12, 2018). Pursuant to the Plan, on  
7 February 28, 2018 (the “Effective Date”), the Trust was created and all of the outstanding shares  
8 of common stock of ICPW Nevada (the “Common Stock”) existing on the Effective Date were  
9 cancelled, and the record holders who owned shares of Common Stock on the Record Date  
10 became holders of non-transferable beneficial interests in the Trust in exchange for those shares  
11 (“Beneficial Interest Holders”). [Docket No. 438]. The Trust was created for the exclusive benefit  
12 of Beneficial Interest Holders, net of claims and expenses payable under the express terms of the  
13 Trust. *Id.*

14 In June 2018, the Trustee sent a letter to Beneficial Interest Holders informing them of an  
15 interim distribution to them in the amount of \$7,243,994 (representing \$0.0835/share based upon  
16 86,754,428 total outstanding shares). In August 2019, the Trustee sent another letter to Beneficial  
17 Interest Holders informing them of an interim distribution to them in the amount of \$1,698,095.  
18 Both distributions were made to Beneficial Interest Holders. In January 2020, the Trustee sent  
19 another letter to Beneficial Interest Holders informing them of an interim distribution to them in  
20 the amount of \$1,982,360.

21 **Class 3**

22 Class 3 consists of the contingent and disputed claim of Radians Wareham Holdings, Inc.  
23 (“Radians”). Pursuant to paragraph 26 in the Confirmation Order, on March 12, 2018, the  
24 Trustee filed the *Motion to Estimate Claim of Radians Wareham Holding, Inc. for Reimbursement*  
25 *of Legal Fees Pursuant to 11 U.S.C. § 502(c)* [Docket No. 473] (the “Estimation Motion”) for  
26 purposes of establishing the Class 3 Reserve Fund (as defined in the Confirmation Order). At the  
27 hearing on the Estimation Motion, the Trustee and Radians agreed the that the Class 3 Reserve  
28 Fund should be \$2,300,000 (the “Agreed Class 3 Reserve Fund”), which is reflected in *Order*

1 *Granting In Part Motion To Estimate Claim Of Radians Wareham Holding, Inc. For*  
2 *Reimbursement Of Legal Fees Pursuant To 11 U.S.C. § 502(c).* [Docket No. 555].

3 On January 29, 2020, the Trustee filed a stipulation [Adv. Docket No. 74] (the “Radians  
4 Stipulation”) that explained the Trust and Radians reached a settlement in their adversary  
5 proceeding (the “Radians Settlement”), as discussed below. Pursuant to the Radians Stipulation  
6 and Radians Settlement, the parties agreed that the Trustee was no longer obligated to hold the  
7 Class 3 Reserve Fund in a segregated trust account and agreed to the release of the Agreed Class  
8 3 Reserve Fund in exchange for, among other things, the settlement payment approved by the  
9 Radians Settlement. On February 20, 2020, the Court entered an order [Adv. Docket No. 75]  
10 approving the Radians Stipulation.

11 **Class 4**

12 Class 4 consists of priority claims, pursuant to 11 U.S.C. §§ 507(a)(3), (4), (5), (6), and  
13 (7). The only non-tax priority claims referenced in the Plan are the two priority wage claims in  
14 the amount of \$12,850 (the “Cordes and Aisenberg Priority Claims”) filed by Cordes and  
15 Aisenberg (the “Former Officers”). Prior to filing the Plan, the Official Committee of Equity  
16 Security Holders had filed a complaint against the Former Officers that (i) objected to the claims  
17 asserted by the Former Officers in their proofs of claims, and (ii) set forth the claims against the  
18 Former Officers seeking damages for pre-petition harm arising from their conduct. [Adv. Proc.  
19 No.: 1:18-ap-01011]

20 The Plan classified the disputed claims of the Former Officers as part of Class 4. The Plan  
21 provided that total sum of \$300,000.00 (the “Class 4 Reserve Fund”) would be retained in a  
22 segregated trust account, which would be used to pay the Cordes and Aisenberg Priority Claims  
23 to the extent allowed by the Court, plus any indemnification claims of the Former Officers to the  
24 extent allowed by the Court and not otherwise satisfied by the Debtors’ D&O Insurance. The  
25 Former Officers filed an objection to the Plan, which sought a larger reserve. [Docket No. 425].

26 Pursuant to paragraph 26 in the Confirmation Order, the Trustee filed a motion to estimate  
27 the disputed claims of the Former Officers for purposes of establishing the Class 4 Reserve Fund.  
28 [Docket No. 474]. After briefing and prior to the hearing, the Trustee and the Former Officers

1 reached an agreement, which resulted in the *Order Approving Stipulation On Motion To Estimate*  
2 *Claims Nos. 7 And 8 Filed By Jeffrey Cordes And William Aisenberg Pursuant To 11 U.S.C. §*  
3 *502(c)* [Docket No. 553] establishing a reserve in the amount of \$546,313.50 in accordance with  
4 the Plan.

5 On August 2, 2019, the Trustee filed the *Stipulation of Settlement* [Docket No. 615] (the  
6 “Stipulation”) that explained the Trust and the Former Officers reached a settlement in their  
7 arbitration proceeding (the “Settlement”). Pursuant to the Stipulation and Settlement, the parties  
8 agreed that the Trustee was no longer obligated to hold the Class 4 Reserve Fund in a segregated  
9 trust account. On August 2, 2019, the Court entered an order approving the Stipulation [Docket  
10 No. 616].

#### 11 **Post-Confirmation Taxes**

12 The Trustee paid \$141,597.38 in actual and estimated taxes for the tax years 2016 and  
13 2017. The Trustee has been advised that the Trust does not owe taxes for 2018.

#### 14 **Projections**

15 The Plan provided that it was being funded from various sources (*e.g.*, remaining estate  
16 funds from the sale proceeds, funds in the operating account, monetary recoveries to be obtained  
17 by the Trust postpetition, etc.) and not cash derived from the operation of any business by the  
18 Debtor.

19 As of June 30, 2020, there have been disbursements in the amount of approximately  
20 \$16,738,566.06. Further, as of June 30, 2020, the Trust had approximately \$925,348.96, on hand.  
21 The Trustee believes that the Trust is current on his payments to the United States Trustee (the  
22 “UST”) for quarterly fees.

#### 23 **Plan Consummation and Final Decree**

24 While the Trustee has made interim distributions, the Trustee anticipates at least one other  
25 distribution. There is also litigation that continues to be pursued against third parties, as set forth  
26 below. Given the uncertainty related to the timing of the completion of litigation, the Trustee  
27 respectfully submits that it would be premature at this time to predict the timing of a motion for  
28 final decree.

**Other Pertinent Information Needed To Explain The Progress Toward Completion  
Of The Confirmed Plan**

The Plan provides that the Trustee will, among other things, investigate and, if appropriate, pursue all claims and causes of action that belong to the Estates and are assigned to the Trust for the benefit of the Beneficial Interest Holders. [Docket No. 438]. Since the Confirmation Order, the Trustee has analyzed and pursued certain claims and causes of action, as follows:

- On April 25, 2018, the Trustee commenced an arbitration proceeding against Thomas Felton, the former Senior Vice President of Supply Chain (the “Felton Arbitration”). In connection with the Former Officers, after extensive briefing and a mediation that did not result in settlement, on July 31, 2018, the Court entered an order granting the Trustee’s motion to compel arbitration against the Former Officers. [Adv. Proc. No.: 1:18-ap-01011, Docket No. 52]. The Trustee commenced an arbitration that was ultimately consolidated with the Felton Arbitration (the “Consolidated Arbitration”). The Consolidated Arbitration has now been settled in the amount of \$2,400,000.
- The Trustee filed a complaint against Robert Goldstein and his company for aiding and abetting breach of fiduciary duty in the United States District Court for the Central District of California, 2:18-cv-09491-FMO-AS, which transferred to the Northern District of Texas. The parties settled the action for a nominal amount.
- On April 26, 2019, the Trustee filed an amended complaint (the “Amended Complaint”) against Radians. On January 14, 2020, the Trustee filed a *Notice of Settlement With and Payment to Radians Wareham Holding, Inc.* in the adversary proceeding [Adv. Docket No. 73] and bankruptcy cases [Bankr. Docket No. 624] pursuant to the Trust Agreement. No parties objected to the notice and, on January 29, 2020, the Trustee filed a stipulation [Adv. Docket No. 74] to approve the settlement, which the Court approved [Adv. Docket No. 75] on February 20, 2020.

- The Trustee commenced an arbitration against BDO. Expert depositions will take place during August 2020 and September 2020. Although the foregoing arbitration proceeding was scheduled to go to trial in June 2020, the trial has been continued to October 12 through 23, 2020, due to COVID-19.

Dated: August 3, 2020

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By: /s/Tania M. Moyron  
Tania M. Moyron, Counsel  
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